

Additional Guidance Related to Asset Management Election and Asset Management Fee Add-on for CY 2010 Operating Subsidy Processing Pursuant to Section 223 of the 2010 Transportation/HUD Appropriations Act (P.L. 111-117)

Under Section 223 of the 2010 Appropriations Act:

“Public housing agencies that own and operate 400 or fewer public housing units may elect to be exempt from any asset management requirement imposed by the Secretary of Housing and Urban Development in connection with the operating fund rule: *Provided*, That an agency seeking a discontinuance of a reduction of subsidy under the operating fund formula shall not be exempt from asset management requirements.”

Notice PIH 2009-47 (HA), Public Housing Operating Subsidy Calculations for Calendar Year 2010, stated that if the 2010 Appropriations Act provided an exemption from asset management for PHAs with 250-400 units, instructions on how to address such changes would be posted on the asset management web page.

Currently, the Project Expense Levels (PELs) pre-populated in SAGIS reflect the PHA asset management election made by PHAs for CY 2009 operating subsidy processing. Accordingly, PHAs with 250-400 units must follow the following instructions in completing their CY 2010 operating subsidy submissions in SAGIS:

- If the PHA elected to implement asset management in 2009, and plans to continue with asset management in 2010, select “Yes” from the dropdown menu in Section 5.
- If the PHA elected to implement asset management in 2009, but plans not to continue to implement asset management in 2010, select “No” from the dropdown menu in Section 5. HUD will change the PELs for all projects within the PHA and zero out the asset management fee.
- If the PHA elected not to implement asset management in 2009, and plans to continue with that election in 2009, select “No” from the dropdown menu in Section 5.
- If the PHA elected not to implement asset management in 2009, but plans to implement asset management in 2010, select “Yes” from the dropdown menu in Section 5. HUD will change the PELs for all projects within the PHA and allocate asset management fee at the rate of \$4 PUM for each project.

NOTE: PHAs that have already completed their submissions in SAGIS and need to change their asset management election must notify their Field Office. The Field Office shall then make appropriate changes per the above instructions.